

271 CHURCH STREET CONSTRUCTION CORP.

September 19, 2000

SENT BY FAX AND OVERNIGHT MAIL

Mr. Izzy Kubersky
Katz Metal Fabricators Inc.
434 East 165 Street
Bronx, NY 10456

SUBJECT: FRANKLIN TOWER PLUMBING & HVAC WORK

Dear Mr. Kubersky,

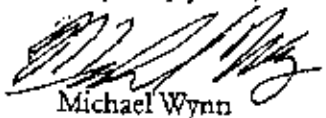
Pursuant to our recent conversation, this letter will serve to confirm and memorialize my position with respect to identifying and correcting the deficient and faulty work that we both acknowledge exists after our review of the project.

As you were advised, I have decided to retain the services of Danica Plumbing & Heating Corp. to identify and correct any deficient and defective HVAC and Plumbing work at the jobsite. I believe that this decision is made in the best interest of our client to insure the quality and integrity of the work contracted for.

In order to secure and insure the proper corrective action in this matter, I have decided to retain all monies that remain due you under this contract. Such proceeds shall be used to offset any work required to properly complete the contracted work. In the event there remains any deficiencies of monies you will be held responsible for same, likewise if there is a surplus after the work is completed the balance shall be paid to you.

It is unfortunate that these measures must be implemented, however, I believe this is the most reasonable resolution to this matter and will provide peace of mind to our client.

Very truly yours,



Michael Wynn

Cc: Robert Levine RAL
Mark Groblewski RAL